

### REMARKS

The Examiner's attention to the present application is greatly appreciated.

In the Office Action of December 28, 2005, the Examiner rejected each of the remaining claims, 8 - 12, under 35 U.S.C. § 112. In addition, the Examiner rejected the claims under 35 U.S.C. § 103. Each of these rejections is believed to have been overcome as a result of the above amendments, in light of the arguments that follow.

No new matter has been made by the above amendments. In accordance with comments from the Examiner, an amendment to Claims 8 and 12 has been made to clarify that payment for a rescue mission is made to a rescue mission provider. Furthermore, Claims 8 and 12 have been amended to reflect that the launch insurance policy is obtained prior to satellite launch. This amendment is supported by language throughout the Specification, and has been made to provide additional distinction between Applicant's invention and the disclosure in *Otis* which described a situation where an insurance policy was obtained after launch of a satellite. Finally, the claims have been amended to clarify that the invention is directed to insuring against a launch failure wherein a satellite is sent to an unintentional orbit, but not an unintentional launch.

Re-examination, reconsideration and allowance of the claims is respectfully requested.

### REJECTION UNDER 35 U.S.C. § 112

Claims 8 and 12 were rejected under 35 U.S.C. § 112 because it was alleged that the provision “providing for the payment for the initiation of a rescue mission, as opposed to simply paying out money to the insured” was unclear because the Examiner contended that it would appear that the payment for the initiation of a rescue mission would have to include paying money to the insured. Applicant disagrees with this assessment. In fact, as understood by those skilled in the art, the only one needing to be paid for a rescue mission would be the rescue mission provider. In order to clarify this distinction, Applicant has amended Claims 8 and 12 to reflect that in the event of a launch of a satellite into an unintended orbit, the insurance policy and rescue mission provision provides for payment to a rescue mission provider in accordance with the insurance policy.

Of course, as understood by those skilled in the art, the insurance policy may require that payment pass through the hands of third parties such as trustees or even the satellite owner before being paid to the rescue mission provider. However, it is the rescue mission provider, who must be paid for the work of initiating a rescue mission.

Claims 8 and 12 were also rejected because they recited the phrase “unintentionally launching the satellite”. Admittedly, Applicant’s invention does not envision that the satellite is unintentionally launched, but instead it is launched into an unintentional orbit. To remedy this ambiguity, Applicant has removed the word “unintended” before the word “launch” so that the claims refer to a launch of a satellite into an unintended orbit, but not an “unintended launch”.

Though not raised in the recent Office Action, Applicant has also amended the preamble of each of the claims so that the invention is directed to a method of insuring against satellite launch failure. Previously, the preamble of the claims referred to a “satellite failure” when in fact the invention is directed to a method of insuring a satellite where the satellite has not failed. Instead, the invention is directed to a method of insuring against a satellite launch failure wherein the satellite is launched into an unintended orbit. Thus, this amendment is thought to provide added clarity.

As a result of the above-identified amendments, the rejections under 35 U.S.C. § 112 are believed to have been overcome and withdrawal of the rejections is respectfully requested.

### REJECTION UNDER 35 U.S.C. § 103

The subject matter of Claims 8 - 12 would not have been obvious in view of the prior art to one ordinarily skilled in the art at the time the invention was made.

#### Obviousness under 35 U.S.C. § 103

Application of the Graham Factors is fundamental to a determination of obviousness.

The Graham test includes four parts which must be applied in each and every case. *Graham v. John Deere*, 383 U.S. 1 (1966) These factors include:

1. determining the scope and contents of the prior art;
2. ascertaining the differences between the prior art and the claims in issue;
3. resolving the level of ordinary skill in the pertinent art; and
4. evaluating evidence of secondary considerations.

Analysis of the first two Graham factors is believed to have particular importance to the present Office Action.

Once the Graham factors have been analyzed, the burden is on the Examiner to establish a *prima facie* case of obviousness. If this *prima facie* case is not established, Applicant is under no obligation to submit evidence or arguments of non-obviousness. To establish a *prima facie* case of obviousness, three basic criteria must be met.

1. There must be some suggestion or motivation, either in the references or in the knowledge generally available to one of ordinary skill in the art to modify the reference or combine reference teachings.
2. There must be a reasonable expectation of success.
3. Finally, the prior art reference (or references when combined) must teach or suggest all of the claim limitations.

As explained in greater detail below, none of these criteria are met. Moreover, most clearly reflecting the non-obviousness of Applicant's claimed invention, the references, even combined, do not disclose all of the claim limitations of Applicant's invention.

#### The Applied Prior Art

##### Otis

The *Otis* article describes the circumstances surrounding the launch and reboost of the Intelsat VI (F-3) satellite as well as the insurance policies that were involved. For example, page 10, column 2 of the *Otis* article explains that the original launch of the Intelsat VI was "self-insured". This means that Intelsat did not obtain an independent insurance policy to insure against the failure of the satellite during launch or in orbit. Instead, any loss, approximately \$250 million, was to be spread throughout the international government organization.

Page 7, column 2 explains the various provisions governing the reboost mission. More specifically, *Otis* explains that while Intelsat did not obtain insurance coverage to cover the initial

launch, it did obtain insurance coverage over the reboost mission. The reboost mission separated the risk into two packages. The first portion provided coverage over the satellite in low orbit and until its recovery by the NASA space shuttle Endeavor. In the event of a failure during this period, Intelsat's organization was to be paid money to offset its losses. Meanwhile, the second phase of insurance coverage covered the phase of placing the satellite into the space shuttle, refitting it with a new motor, boosting it into its final operational orbit, and continuing for an additional 180 days to confirm satellite visibility. Again, the insurance policy provided for financial compensation to Intelsat to cover its losses in the event of a satellite failure during this phase. However, neither phase of the insurance policy provided for the initiation of an additional recovery mission in the event of a failure, as claimed by Applicant.

Notably, *Otis* further suggests that the insurance policies were obtained after the satellite was launched, and after the satellite was launched into an unintended orbit. As amended, Applicant's claims include the limitation that the insurance policy is obtained prior to launch.

### *Borghesi*

*Borghesi* describes well known automobile insurance policies. More particularly, *Borghesi* describes the well known concept within the art of automobile insurance that a person can obtain an insurance policy that provides coverage in the event that an automobile is damaged or destroyed. Though not mentioned by the Examiner, such insurance policies usually insure against the theft of a vehicle, wherein the vehicle is not located in its intended place. As within the case where the vehicle is damaged or destroyed, the insurance policy typically pays the

insured money to cover the loss of the vehicle.

As the Examiner admits, *Borghesi* does not provide any suggestion that the concepts within this reference could be applied to the satellite insurance industry. Moreover, *Borghesi* describes repairing a vehicle which has been destroyed or damaged. *Borghesi* does not provide any suggestion for moving an automobile when it has been transported to an unintended location. Furthermore, *Borghesi* does not provide for any type of compensation when the vehicle has suffered no damage, but has been transported to an unintended location.

*Borghesi* is not Analogous Art

Applicant disagrees that *Borghesi* is analogous art. As stated in M.P.E.P. § 2141.01(a), to rely on a reference under 35 U.S.C. § 103, it must be analogous prior art. “In order to rely on a reference as a basis for rejection of an applicant’s invention, the reference must either be in the field of applicant’s endeavor or, if not, then be reasonably pertinent to the particular problem in which the inventor was concerned.” *In re Oetiker*, 977 F.2d 1443, 1446 (Fed.Cir. 1992). Here, the Examiner admits that “*Borghesi* is not directed to satellite insurance”. Meanwhile, the Examiner has not cited any reference that suggests that those in the field of satellite insurance look to automobile insurance policies when developing satellite insurance policies.

The difference between the Patent Office classification of the present application and that of *Borghesi* is believed to provide even further evidence of non-analogy.

No Suggestion to Combine *Otis* with *Borghesi*

Neither *Otis* nor *Borghesi* suggest combining the two disclosures in a manner to create Applicant's invention.

It is fundamental that a patentee's claims cannot be reconstructed "from selected pieces of prior art absent some suggestion, teaching, or motivation in the prior art to do so." *C. R. Bard, Inc. v. M3 Systems, Inc.*, 48 U.S.P.Q. 2d 1225, 1232 (Fed.Cir. 1998). Moreover, "(t)here must be a teaching or suggestion... to combine them in the way they were combined by the inventor." *ATD Corp. v. Lydall, Inc.*, 159 F.3d 534 (Fed.Cir. 1998).

There is no suggestion in *Otis* for looking to the automobile insurance field for the creation of a new insurance policy. Meanwhile, *Borghesi* provides no suggestion that the disclosure should be applied to the space insurance industry.

Meanwhile, the Examiner's argument in support of a combination is nonsensical. The Examiner states that "the concept of paying for the repair costs of the car or other property is analogous to applicant's provision for providing payment for the initiation of a rescue mission by a guarantor. If an insurer can salvage the car or in this case, a satellite, by repairing the car or satellite at a cost that is less than the total loss amount of the car or satellite, the insurer should perform this repair." (See Office Action page 5). However, *Otis* does not describe repairing a satellite. Instead, it described a situation where a satellite did not need repairing. There is no suggestion that one apply the principles of *Borghesi* which is directed to insuring against vehicle



damage.

The Examiner further argues that “it would have been obvious to one of ordinary skill in the art to include the features of *Borghesi* with the method of *Otis* with the motivation of insuring that the repair costs of the property [the satellite?] are not exceeding the total loss valuation of the property...”. However again, *Otis* is not directed to repairing a satellite. *Otis* describes the I-VI mission wherein the satellite was launched to an unintended orbit, but otherwise was undamaged. There were no repairs of the satellite to be conducted. Thus, there is no reason for one to combine *Otis* which describes an insurance policy for insuring a mission to move a satellite (but not repair), with *Borghesi* which is directed to insuring against a damaged automobile and paying for its repair.

#### The Combination of *Otis* and *Borghesi* Would Not Create Applicant’s Invention

It is axiomatic, that to establish a case of obviousness, all the claim limitations must be taught or suggested by the prior art. *In re. Royka*, 490 F.2d 981 (C.C.P.A. 1974). However, even if *Borghesi* were analogous prior art, and even if there were the suggestion to combine *Otis* with *Borghesi*, the combination would not create Applicant’s invention.

*Otis* describes an insurance policy that was obtained after the launch of a satellite. As clarified by the recent amendments, Applicant’s invention is directed to an insurance policy that is obtained prior to the launch of a satellite, which provides for initiation of a rescue mission in the event of a launch failure. Meanwhile, *Otis* describes an insurance policy that was obtained

after launch which provided for monetary compensation to the satellite owner in the event of failure of the rescue mission. *Borghesi* is directed to repairing a vehicle in the event that the vehicle is damaged.

Combining *Otis* with *Borghesi* would create an insurance policy for insuring against a damaged satellite. In the event that the satellite was damaged, the insurance policy (in accordance with *Borghesi*) would provide for full monetary compensation to the vehicle owner in the event that the vehicle was destroyed, or provide for financial compensation to repair the satellite if the satellite could be repaired. However, the combination of *Otis* with *Borghesi* does not suggest insuring against launch of a satellite into an unintended orbit, and certainly does not suggest an insurance policy providing for the initiation of a rescue mission.

### CONCLUSION

It is believed that the Examiner's rejections have been addressed by the above amendments, as explained within the above response. The claims are now believed to be in condition for allowance and notice thereof is respectfully requested.

In the event that the Examiner has any concerns regarding the allowance of the claims, it is respectfully requested that the Examiner place a telephone call to the undersigned prior to issuing another Office Action. If there are any remaining outstanding issues, the Applicant requests that the Examiner and Applicant hold an in-person interview to discuss any remaining issues.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "David G. Duckworth", with a long horizontal flourish extending to the right.

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